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FISCAL IMPACT STATEMENT

LS 6314

BILL NUMBER: HB 1586

NOTE PREPARED: Dec 14, 2014

BILL AMENDED:

SUBJECT: Methamphetamine Decontamination Grant Program.

FIRST AUTHOR: Rep. GiaQuinta

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes a program under which the Indiana Department of Environmental Management (IDEM) may award matching grants to property owners for the decontamination of property contaminated by the manufacture of methamphetamine. It establishes a Methamphetamine Decontamination Grant Fund for purposes of the program. It specifies that a grant to a property owner under the program may not exceed the lesser of: (1) 50% of the costs of decontaminating the property; or (2) \$10,000. The bill also requires a property owner awarded a grant to meet at least 50% of the total eligible costs of the decontamination of the property with personal assets.

The bill provides that the disclosure form adopted by the Indiana Real Estate Commission must indicate that the owner of a property on which methamphetamine was manufactured is not required to disclose that methamphetamine was manufactured on the property if the property has been certified as decontaminated by a person certified by IDEM to inspect and clean property polluted by contaminants.

The bill provides that the law shielding the owner of psychologically affected property from civil liability for failing to disclose that a controlled substance was illegally manufactured on the property does not apply to a property on which methamphetamine was manufactured unless the property has been certified as free of methamphetamine contamination by a person certified by IDEM to inspect and clean property polluted by contaminants.

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Indiana Department of Environmental Management (IDEM):* This bill establishes a Methamphetamine Decontamination Grant Program to be operated by IDEM. The nonreverting

Methamphetamine Decontamination Grant Fund, also established by this bill, will fund the grants and will consist of appropriations by the General Assembly. The establishment and operation of the grant program would likely increase administrative expenses for IDEM. The funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions. This bill does not contain an appropriation.

Environmental Rules Board: The bill requires the Environmental Rules Board to adopt rules for the administration of the program. The adoption of rules is within IDEM's routine administrative functions and should be able to be accomplished within the current levels of resources available, assuming near customary agency staffing and resource levels.

Indiana Real Estate Commission: The Indiana Real Estate Commission would be required to amend the sales disclosure form for owners to indicate that they are not required to disclose that methamphetamine was manufactured on the property if the property has been certified as decontaminated by an IDEM inspector. Modification of the sales disclosure form should have minimal, if any, impact. The forms are available on the commission's web site.

Sales disclosure forms currently allow owners to disclose if the manufacture of methamphetamine or dumping of waste from the manufacture of methamphetamine occurred in a residential structure on the property. The forms also allow owners to disclose if contamination caused by the manufacture of a controlled substance on the property has not been certified as decontaminated by an IDEM inspector.

Additional Information - The Methamphetamine Decontamination Grant Program is established by this bill to provide matching grants for projects involving the decontamination of property by methamphetamine manufacture. Applicants would apply to IDEM and provide information about the project including a budget of estimated costs. IDEM would pay 75% of the grant at the time the grant is accepted, and the remaining 25% would be paid when the grantee submits a final report and IDEM audits and approves the final expenditures. The grants may not exceed the lesser of 50% of the total eligible costs of the project or \$10,000.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Environmental Management; Environmental Rules Board; Indiana Real Estate Commission.

Local Agencies Affected:

Information Sources:

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